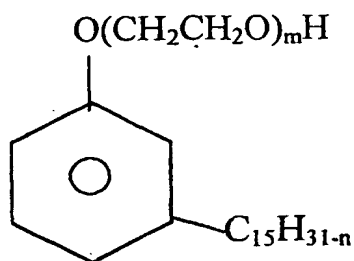


We claim:

1. A fuel additive composition for stabilizing blends of ethanol and a hydrocarbon boiling in the gasoline or diesel range, comprising:

- 5 a) 0.1-10 % of Cashew Nut Shell Liquid (CNSL) derivative(s) or mixtures thereof of formula:



10 where $m = 0-12$
 $n = 0, 2, 4 \text{ \& } 6$

and

- 15 b) 0.1-10 % of an organic co-solvent

depending upon the percentage composition of diesel and ethanol blend.

- 20 2. A fuel additive composition as claimed in claim 1, wherein $m = 1-12$ and $n = 2, 4, 6$, and said CNSL derivatives are ethoxylates of CNSL.

3. A fuel additive composition as claimed in claim 1, wherein $m = 1-12$ and $n = 0$, and said CNSL derivatives are ethoxylates of partially
25 hydrogenated CNSL.

4. A fuel additive composition as claimed in claim 1, wherein $m=0$ and $n=0$, and said CNSL derivative is partially hydrogenated CNSL.

5. A fuel additive composition as claimed in claim 1, wherein $m=0$ and $n=2, 4, 6$, and said CNSL derivative is technical CNSL.

6. A fuel additive composition as claimed in claim 2, wherein said ethoxylated CNSL derivatives are reaction product of technical CNSL and an ethoxylating agent.

7. A fuel additive composition as claimed in claim 3, wherein said ethoxylated CNSL derivatives are reaction product of partially hydrogenated CNSL and an ethoxylating agent.

8. A fuel additive composition as claimed in claim 1 wherein said organic co-solvent is selected from the group of alcohol, fatty acid ester, ester and the mixture thereof.

9. A fuel additive composition as claimed in claim 1, wherein said organic co-solvent is a normal or branched chain primary or secondary alcohol having a carbon number of 3 to 16.

10. A fuel additive composition as claimed in claim 9, wherein said alcohol is present in an amount of 0.1-5 vol %.

11. A fuel additive composition as claimed in claim 8, wherein said fatty acid esters are methyl or ethyl esters of Jatropha carcus oil, soyabean oil, sunflower oil and karanja oil.



12. A fuel additive composition as claimed in claim 8, wherein said ester is present in an amount 0.2% to 4% based upon the stabilizing additive composition.

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13. A fuel additive composition as claimed in claim 1, wherein said mixture comprises CNSL and ethoxylated CNSL.

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14. A fuel additive composition as claimed in claim 1, wherein said mixture comprises CNSL and hydrogenated CNSL.

15. A fuel additive composition as claimed in claim 1, wherein said mixture comprises ethoxylated CNSL and ethoxylated hydrogenated CNSL.

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16. A fuel additive composition as claimed in claim 1, wherein said mixture comprises CNSL, hydrogenated CNSL and ethoxylated CNSL.

17. A fuel additive composition as claimed in claim 1, wherein blends of ethanol and hydrocarbon comprising ethanol 1-15% and diesel 85-99%.

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18. A fuel additive composition as claimed in claim 17, wherein ethanol is having 0 to 1.0 % by wt. of water and is referred to anhydrous ethanol.

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19. A fuel additive composition as claimed in claim 17, wherein ethanol contains higher than 1.0% water by wt. and is referred as hydrous ethanol.

20. A fuel additive composition as claimed in claim 1, further includes cetane improver to meet the requirement as laid in the diesel fuel specification.

5 21. A fuel additive composition as claimed in claim 1, further includes known corrosion inhibitors to control corrosion to the metallic parts on the fuel side components.

10 22. A fuel composition comprising of (i) a hydrocarbon based fuel boiling in the gasoline or diesel range (ii) ethanol and (iii) fuel additive composition of claim 1.